STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

September 11, 2009

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

HAWAII

Rescind Prior Board Action of August 28, 1998, Item D-21, Issuance of Revocable Permit to Hawaii County Economic Opportunity Council (HCEOC) at Waiakea, South Hilo, Hawaii, Tax Map Key: 3rd/ 2-1-05: submerged lands, seaward of Parcel 16.

BACKGROUND:

At its meeting of August 28, 1998, Item D-21, the Board of Land and Natural Resources approved the issuance of a revocable permit to the HCEOC for mooring a vessel for loading and unloading of passengers for an ocean sight-seeing operation. (EXHIBIT A)

Records indicated that on June 16, 1952, the Naniloa Hotel obtained building permits from the County of Hawaii, Planning Department, for its hotel renovation project. At time of application, the pier was already depicted in the building plans, which predated the creation of conservation district zonings and rules.

REMARKS:

Through all these past years, the revocable permit requested was never issued. Records indicate that HCEOC never signed or returned the offer letter to accept the proposed rental. Due to the number of years that have since passed, the pier is now in disrepair and is no longer safe for use. HCEOC has no plans to continue pursuing its original plans to moor a vessel and disembark water tour passengers from the subject site. As a result, staff is now recommending that the prior Land Board action authorizing the issuance of a revocable permit to HCEOC be rescinded for housekeeping purposes.

HCEOC-Rescind action of 082889 TMK: 3rd/ 2-1-05: seaward of 16

RECOMMENDATION: That the Board:

1. Rescind its prior Board action of August 28, 1998, under Agenda Item D-21.

Respectfully Submitted,

Wesley T. Matsunag

Land Agent

APPROVED FOR SUBMITTAL:

Laura H. Thielen, Chairperson

HCEOC-Rescind action of 082889 TMK: 3rd/ 2-1-05: seaward of 16

State of Hawaii Department of Land & Natural Resources Land Division Hilo, Hawaii

AUG 28 1998

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

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SUBJECT:

Issuance of a revocable permit to Hawaii County Economic Opportunity Council at Waiakea, Hawaii, tax map key: (3) 2-1-5-submerged lands, seaward of parcel 16

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Statute:

Chapter 171-13, Hawaii Revised Statutes

Applicant:

Hawaii County Economic Opportunity Council (HCEOC)

Location

and area:

Submerged lands seaward of lands located at Waiakea, South Hilo, Hawaii, identified by tax map key: (3) 2-1-5-seaward of parcel 16, consisting of approximately 300 square feet. (EXHIBIT A)

Land title

status:

Subsection 5(b) lands

Status:

Vacant

Zoning:

State LUC County of Hawaii Urban/Conservation

VH-.75

Purpose:

for loading vessel and unloading passengers for an ocean sight-seeing tour operation

Monthly

rental:

To be determined by staff appraiser, subject to review and approval by the Chairperson.

Collateral

security

deposit:

Twice the monthly rental

Liquidated

damages:

Twenty percent of the monthly rental

Chapter 343-

environmental

assessment:

The proposed use does not differ from the past use of the subject area. Therefore pursuant to Section

APPROVED BY THE BOARD OF LAND AND NATURAL RESOURCES AT ITS MEETING HELD ON Conquet 28, 1998. Per

ITEM D-21

11-200-8(1), Exempt Classes of Action, of the Environmental Impact Statement Rules, the action is exempt from the preparation of an environmental assessment. Accordingly, it is recommended that the Board declare the proposed use exempt from obtaining a negative declaration.

BACKGROUND:

Our files show no record of the Nakano Co., Ltd. (aka Naniloa Hotel) requesting permission to build a pier on the State submerged lands, oceanside of the hotel grounds. According to the Hotel General Manager, it was there prior to renovations done in the late 50's. Our tenant at that time was Inter-Island Resorts.

County of Hawaii, Planning Department files show that when the Naniloa Hotel obtained building permit #12450 on June 16, 1952, the pier was already on the building plans. It is approximately six feet wide and fifty feet long or covers approximately 300 square feet.

We did check with the State Department of Transportation, Harbors Division. No permit on file. Furthermore, although the pier is in conservation zone, the Conservation District was not established until October 1964. Therefore, it is a non-conforming use.

Presently, the Nakano Co., Ltd. is not using the pier. They have no objections to HCEOC using it.

HCEOC wants to tie the boat up to the pier. Load passengers on and off. Take the passengers on a water tour of various scenic destinations along the coastline. There will be no construction done to the existing pier. (EXHIBIT B)

HCEOC will be responsible for all other permits necessary for the boat and mooring.

ANALYSIS:

We can only conclude that the pier was built at a time when it wasn't necessary to go through various levels of red-tape. Needless to say, given it does exist on State submerged lands and someone is asking to use it, a month-to-month revocable permit is required. The actual pier (wooden part) is not owned by the State, but by Nakano Company, Ltd. If repair work or any type of construction needs to be done in the near future, it will be the responsibility of Nakano Co., Ltd. to obtain the SMA and CDUP.

Mr. George Yokoyama believes this island has more to offer it's visitors besides the Volcano National Park and Rainbow Falls. There should be other activities. Guests will stay longer and

spend money and more jobs will be created.

Staff is agreeable with the request. HCEOC programs help a lot of people on this island. We also believe if someone is willing to try something to help revitalize the County's economic conditions, the State should be there to help in some way.

RECOMMENDATION: That the Board:

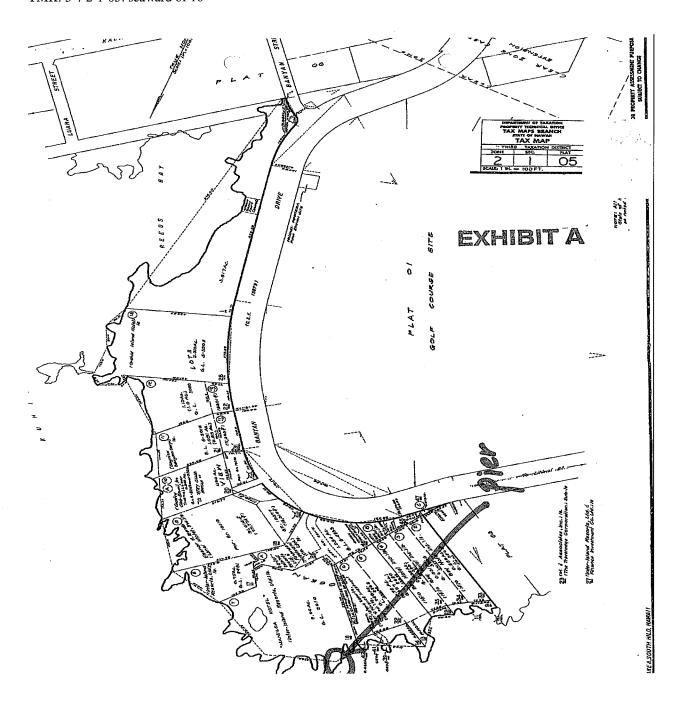
- Find that the use is exempt from obtaining a negative declaration pursuant to Section 11-200-8(1), Exempt Classes of Action, of the Environmental Impact Statement Rules.
- 2. Authorize the issuance of a new revocable permit to Hawaii County Economic Opportunity Council covering State submerged lands under the terms and conditions listed above which are by this reference incorporated herein, in addition to the following terms and conditions:
 - a) The property is leased in an "as is" condition. The tenant is aware of all aspects associated with the property.
 - b) The cost of utilities, if desired, shall be the responsibility of the Permittee.
 - c) Terms and conditions of the standard revocable permit document.
 - d) Such other terms and conditions as may be prescribed by the Chairperson to best protect the State's interest.

Respectfully submitted,

Charlene E. Unoki

APPROVED FOR SUBMITTAL:

MICHAEL D. WILSON, Chairperson



HCEOC-Rescind action of 082889 TMK: 3rd/ 2-1-05: seaward of 16



HAWAII COUNTY ECONOMIC OPPORTUNITY COUNCIL

47 Rainbow Drive Hilo, Hawaii 96720-2013

Telephone (808) 961-2681 Fax (808) 935-9213

June 15, 1998

Ms. Charlene Unoki Department of Land and Natural Resources Land Division Hilo, Hawaii 96720

SUBJECT: ADDITIONAL INFORMATION REGARDING PROPOSED OCEAN SIGHT-SEEING TOUR OPERATION

Dear Ms. Unoki:

The following is submitted for your information regarding subject matter:

- 1. Description of Ocean Sight-Seeing Tour Operation:
 - a. The tour routes are "Hilo to Waipio Valley, Hilo to the lava flow area and a tour of Hilo Bay.
 - b. Customers are primarily visitors to the east side of this island.
 - c. A fee is charged per person for the tours (fee rate is undetermined at present).
- 2. Description of Vessel: A 50-ft. boat, diesel driven, 25-knots, 25 passenger capacity, with all required approvals from U. S. Coast Guard, State Department of Transportation and Harbors Division (DLNR).
- 3. We will lease the boat from the reputable firm of Hawaii Yacht Charter and Sales, Hawaii Kai located at KoKo Marina Shopping Center. NOTE: We have changed our plan to operate a boat rather than a catamaran for sanitary and safety reasons.

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- 4. Plan to transfer operation from non-profit organization to for profit organization:
 - a. Presently, the project is in R&D status. The plan is to operate project under non-profit status with program income from operation to be used for support of project.
 - b. After 12-month of operation or at the point of realizing profit, whichever is sooner, we intend to establish a limited liability corporation with our agency as a major shareholder.
- 5. Finally, we respectfully request the change from catamaran to an ocean going boat in size of 40 ft. to 60 ft. as the change is necessary for safety and sanitary reasons.

Respectfully yours,

GEORGE YOKOTA Executive Director